AMENDED IN SENATE JULY 9, 2003 AMENDED IN ASSEMBLY MAY 1, 2003 AMENDED IN ASSEMBLY APRIL 10, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 1079

Introduced by Assembly Member Bermudez

February 20, 2003

An act to amend Sections 9880.1 and 9882, 9882, and 9884 of the Business and Professions Code, relating to automotive repair.

LEGISLATIVE COUNSEL'S DIGEST

AB 1079, as amended, Bermudez. Automotive repair.

Existing law, the Automotive Repair Act, establishes—a the Bureau of Automotive Repair under the supervision and control of the Director of Consumer Affairs. The act provides for the registration and regulation of automotive repair dealers and defines various terms for its purposes makes a violation of its provisions a crime. The act requires an automotive repair dealer to provide a customer with a written repair estimate and prohibits the dealer from charging for repairs exceeding the estimate amount without the customer's consent.

This bill would define the term "customer" and correct an erroneous cross-reference in the act's provisions. The bill would also authorize a customer to designate in writing another person to authorize repairs in excess of the estimate amount. The bill would authorize the bureau to adopt regulations pertaining to the designation process.

Because a violation of the bill would be a crime, the bill would impose a state-mandated local program.

AB 1079 - 2 —

3

4

5

8

10 11

13

14

15

17

21 22

23

24 25

26

27

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: -no yes. State-mandated local program: -no yes.

The people of the State of California do enact as follows:

- SECTION 1. Section 9880.1 of the Business and Professions 1 2 Code is amended to read:
 - 9880.1. The following terms as used in this chapter have the meaning expressed in this section.
 - (a) "Automotive repair dealer" means a person who, for compensation, engages in the business of repairing or diagnosing malfunctions of motor vehicles.
- (b) "Chief" means the Chief of the Bureau of Automotive 9 Repair.
 - (c) "Bureau" means the Bureau of Automotive Repair.
- (d) "Motor vehicle" means a passenger vehicle required to be 12 registered with the Department of Motor Vehicles and all motorcycles whether or not required to be registered by the Department of Motor Vehicles.
- (e) "Repair of motor vehicles" means all maintenance of and 16 repairs to motor vehicles performed by an automotive repair dealer including automotive body repair work, but excluding those repairs made pursuant to a commercial business agreement and also excluding repairing tires, changing tires, lubricating vehicles, installing light bulbs, batteries, windshield wiper blades and other minor accessories, cleaning, adjusting, and replacing spark plugs, replacing fan belts, oil, and air filters, and other minor services, which the director, by regulation, determines are customarily performed by gasoline service stations.

No service shall be designated as minor, for purposes of this section, if the director finds that performance of the service requires mechanical expertise, has given rise to a high incidence of fraud or deceptive practices, or involves a part of the vehicle essential to its safe operation.

-3- AB 1079

(f) "Person" includes firm, partnership, association, limited liability company, or corporation.

- (g) An "automotive technician" is an employee of an automotive repair dealer or is that dealer, if the employer or dealer repairs motor vehicles and who for salary or wage performs maintenance, diagnostics, repair, removal, or installation of any integral component parts of an engine, driveline, chassis or body of any vehicle, but excluding repairing tires, changing tires, lubricating vehicles, installing light bulbs, batteries, windshield wiper blades, and other minor accessories; cleaning, replacing fan belts, oil and air filters; and other minor services which the director, by regulation, determines are customarily performed by a gasoline service station.
 - (h) "Director" means the Director of Consumer Affairs.
- (i) "Commercial business agreement" means an agreement, whether in writing or oral, entered into between a business or commercial enterprise and an automobile repair dealer, prior to the repair which is requested being made, which agreement contemplates a continuing business arrangement under which the automobile repair dealer is to repair any vehicle covered by the agreement, but does not mean any warranty or extended service agreement normally given by an automobile repair facility to its customers.
- (j) "Customer" means the owner of a motor vehicle or an adult member of the owner's household. person presenting a motor vehicle for repair and authorizing the repairs to that motor vehicle. "Customer" shall not mean the automotive repair dealer providing the repair services or an insurer involved in a claim that includes the motor vehicle being repaired or an employee or agent or a person acting on behalf of the dealer or insurer.
- SEC. 2. Section 9882 of the Business and Professions Code is amended to read:
- 9882. There is in the Department of Consumer Affairs a Bureau of Automotive Repair under the supervision and control of the director. The duty of enforcing and administering this chapter is vested in the chief who is responsible to the director. The director may adopt and enforce those rules and regulations that he or she determines are reasonably necessary to carry out the purposes of this chapter and declaring the policy of the bureau, including a system for the issuance of citations for violations of this chapter

AB 1079 — 4 —

3

4

5

6

9

10 11

12

13

14

15

16

17

19

20

21

22

23 24

25

26 27

28

29

31

32 33

34

35

as specified in Section 125.9. These rules and regulations shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. SEC. 3. Section 9884.9 of the Business and Professions Code is amended to read:

9884.9. (a) The automotive repair dealer shall give to the customer a written estimated price for labor and parts necessary for a specific job. No work shall be done and no charges shall accrue before authorization to proceed is obtained from the customer. No charge shall be made for work done or parts supplied in excess of the estimated price without the oral or written consent of the customer that shall be obtained at some time after it is determined that the estimated price is insufficient and before the work not estimated is done or the parts not estimated are supplied. Written consent or authorization for an increase in the original estimated price may be provided by electronic mail or facsimile transmission from the customer. The bureau may specify in regulation the procedures to be followed by an automotive repair dealer when if an authorization or consent for an increase in the original estimated price is provided by electronic mail or facsimile transmission. If that consent is oral, the dealer shall make a notation on the work order of the date, time, name of person authorizing the additional repairs, and telephone number called, if any, together with a specification of the additional parts and labor and the total additional cost, and shall do either of the following:

- (1) Make a notation on the invoice of the same facts set forth in the notation on the work order.
- (2) Upon completion of *the* repairs, obtain the customer's signature or initials to an acknowledgment of notice and consent, if there is an oral consent of the customer to additional repairs, in the following language:

"I acknowledge notice and oral approval of an increase in the original estimated price.

(signature or initials)"

36 37 38

39

Nothing in this section shall be construed as requiring an automotive repair dealer to give a written estimated price if the dealer does not agree to perform the requested repair.

5 AB 1079

(b) The automotive repair dealer shall include with the written estimated price a statement of any automotive repair service—which that, if required to be done, will be done by someone other than the dealer or his or her employees. No service shall be done by other than the dealer or his or her employees without the consent of the customer, unless the customer cannot reasonably be notified. The dealer shall be responsible, in any case, for any service in the same manner as if the dealer or his or her employees had done the service.

- (c) In addition to subdivisions (a) and (b), an automotive repair dealer, when doing auto body or collision repairs, shall provide an itemized written estimate for all parts and labor to the customer. The estimate shall describe labor and parts separately and shall identify each part, indicating whether the replacement part is new, used, rebuilt, or reconditioned. Each crash part shall be identified on the written estimate and the written estimate shall indicate whether the crash part is an original equipment manufacturer crash part or a nonoriginal equipment manufacturer aftermarket crash part.
- (d) A customer may designate another person to authorize work or parts supplied in excess of the estimated price, if the designation is made in writing at the time that the initial authorization to proceed is signed by the customer. The bureau may specify in regulation the form and content of a designation and the procedures to be followed by the automotive repair dealer in recording the designation. For the purposes of this section, a designee shall not be the automotive repair dealer providing repair services or an insurer involved in a claim that includes the motor vehicle being repaired, or an employee or agent or a person acting on behalf of the dealer or insurer.
- SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within

- 1 the meaning of Section 6 of Article XIII B of the California 2 Constitution.